

SMACNA STATISTICAL SURVEY and RATIOS 1979

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**SHEET METAL AND AIR CONDITIONING CONTRACTORS'
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January 16, 1980

Dear SMACNA Member:

After several months of gathering information, compiling and analyzing, the Business Management Education Committee is pleased to release the 1979 Statistical Survey. The survey will provide you with a basis for comparing your operation with others of similar size and business activity.

Two membership mailings of the survey form were made and from these we received only 232 useable responses--not enough to separate the statistical data into regions as we have done in the past. Perhaps next time, after reviewing these results, more SMACNA members will want to participate in the survey.

The Committee's sincere thanks goes out to those members who provided us with the information in this booklet. If you have any comments or suggestions, we'd like to hear them.

Very truly yours,

GARY L. SCHWENK
Chairman, Business Management
Education Committee

GLS/bb

STATISTICAL SURVEY - 1979

The survey this year is presented in two parts. Part I consists of selected ratios computed using the median average. Part II consists of Income Statement, Balance Sheet and selected ratios computed using the arithmetic mean.

Just to refresh your memory regarding the median average, as this method is not often used, the median is the midway between either extreme. For example, in the following group of numbers 1, 3, 4, 5, 9, 10, 14 the number 5 is the median as an equal amount of numbers come before and after.

Part I of the survey includes a comparison of 1978 ratios to 1974 ratios. The 1978 information is being compared to the 1974 information as this was the last year in which the median average was presented.

As we stressed in the 1974 survey, no one ratio, in itself, will indicate success or failure, but in combination, can assist management greatly in their financial planning. Your accountant, controller, Certified Public Accountant should have an opportunity of reviewing this Statistical Survey.

PART 1

CURRENT RATIO -- The recommended ratio range for SMACNA contractors is 1.5-2.0 to 1.

Median Current Ratio

	<u>Profit Leaders</u>	<u>Total Group</u>	<u>No Profit</u>
1978	2.69	1.80	1.37
1974	2.32	1.82	1.92

The total group median is within the recommended range for 1978 as it was for 1974, however, the no profit group has dropped below the recommended range. Those contractors with current ratios in excess of 2 to 1 should review their capital needs, as they may have an excess of current assets, and need to invest these monies in other profit-generating ventures.

ACID TEST RATIO -- The recommended ratio range for SMACNA contractors is 1-1.5 to 1.

Median Acid Test Ratio

	<u>Profit Leaders</u>	<u>Total Group</u>	<u>No Profit</u>
1978	1.80	1.34	1.15
1974	1.75	1.34	1.54

The median ratios for all categories equal or exceed the recommended range of 1 to 1. The positive results of this ratio could result from the fact that many of the figures supplied to us are as of December 31, a time of the year when historically, inventories and work in process are lower than throughout the year.

AVERAGE AGE OF ACCOUNTS RECEIVABLE -- The recommended range for SMACNA contractors is 45 days.

Median Average Age of Accounts Receivable

	<u>Profit Leaders</u>	<u>Total Group</u>	<u>No Profit</u>
1978	58.31 days	57.84 days	71.03 days
1974	60.19 days	60.16 days	63.93 days

With the cost of money being what it is today, the importance of expedient collections cannot be over-emphasized.

WORKING CAPITAL TURNOVER -- The recommended range for SMACNA contractors is between 8 and 12 times per year.

Median Working Capital Turnover

	<u>Profit Leaders</u>	<u>Total Group</u>	<u>No Profit</u>
1978	6.19 times	7.95 times	9.65 times
1974	5.20 times	8.26 times	7.09 times

For both surveys, the profit leaders are below the recommended range. Because of the results in this area for the past two surveys and the fact that the profit leaders have had favorable net profit to working capital ratios for the same surveys, the recommended range of 8 to 12 times per year for working capital turnover may be too high. A range of from 4 to 8 may be more in line with today's economy as indicated by the results of the profit leaders.

NET PROFIT TO WORKING CAPITAL -- The recommended range for SMACNA contractors is 40% to 60%.

Median Net Profit to Working Capital

	<u>Profit Leaders</u>	<u>Total Group</u>	<u>No Profit</u>
1978	56.91%	34.15%	-20.36%
1974	58.96%	29.39%	-16.98%

The profit leaders are well within the recommended range, indicating that working capital is being used by the profit leaders for their maximum benefit.

LIABILITIES TO NET WORTH -- The recommended ratio range for SMACNA contractors is 1-2 to 1.

Median Total Liabilities to Net Worth

	<u>Profit Leaders</u>	<u>Total Group</u>	<u>No Profit</u>
1978	.81	1.41	2.01
1974	.61	1.17	.73

The median for the total group falls within the recommended range. The median for the profit leaders falls below the recommended range which indicates a strong equity position, but a possible failure to use debt financing to advantage, which further indicates a lack of incentive for future growth. Contractors with ratios in excess of 2 to 1 should review their capital structure with the thought of possible additional capital investment.

CURRENT TO TOTAL ASSETS -- The recommended ratio range for SMACNA contractors is .60 - .80 to 1.

Median Current to Total Assets

	<u>Profit Leaders</u>	<u>Total Group</u>	<u>No Profit</u>
1978	.81	.80	.83
1974	.81	.82	.78

The median for all groups for both years is above the recommended range.

NET PROFIT TO NET WORTH -- This ratio indicates a return on investment. Due to the high risk inherent in the contracting business, the recommended return is 30 to 40 percent. Other than the profit leaders, the reported ratios would indicate that the majority of the contractors are not realizing a sufficient return on the invested capital in the business.

Median Net Profit to Net Worth

	<u>Profit Leaders</u>	<u>Total Group</u>	<u>No Profit</u>
1978	46.55%	26.45%	-11.39%
1974	46.62%	21.03%	-15.80%

OVERHEAD TO MATERIALS

OVERHEAD TO LABOR -- There are no recommended ranges in this area. Each contractor should constantly be reviewing these percentages in his company to determine those most acceptable for generating profits and to enable him to detect trends of excess cost.

Median Overhead to Materials

	<u>Profit Leaders</u>	<u>Total Group</u>	<u>No Profit</u>
1978	60.73%	58.93%	65.39%
1974	53.52%	52.96%	60.80%

Median Overhead to Labor

	<u>Profit Leaders</u>	<u>Total Group</u>	<u>No Profit</u>
1978	67.75%	67.97%	90.26%
1974	57.36%	60.46%	57.58%

PART 2

ALL BUSINESS TYPES

1

ALL REPORTING	UP TO \$500,000	\$500,001 TO \$1,000,000	Sales Volume		\$1,500,001 TO \$2,000,000	\$2,000,001 TO \$4,000,000	OVER \$4,000,000
			\$1,000,001 TO \$1,500,000	\$1,500,001 TO \$2,000,000			

INCOME STATEMENT

Sales	\$2,778,526	\$305,926	\$749,320	\$1,283,669	\$1,795,958	\$2,691,925	\$8,556,501
Total job costs	2,180,942	205,573	538,617	936,450	1,338,555	2,024,908	6,986,145
Labor cost	867,471	93,343	235,041	363,692	528,617	806,433	2,756,932
Material cost	996,852	95,624	253,716	470,659	671,888	994,694	3,039,688
Sub contracts	216,829	9,968	20,055	68,685	105,331	145,601	832,252
Miscellaneous job costs	99,790	6,638	29,805	33,414	32,719	78,180	357,273
Gross margin	597,584	100,353	210,703	347,219	457,403	667,017	1,570,356
Overhead	488,453	77,851	180,734	296,814	388,245	528,599	1,276,529
Net from operations	109,131	22,502	29,969	50,405	69,158	138,418	293,827
Miscellaneous income	7,950	1,331	3,200	6,074	6,254	5,477	22,881
Total net before taxes	117,081	23,833	33,169	56,479	75,412	143,895	316,708

OPERATIONS EXPRESSED IN PERCENTAGES TO SALES

Sales	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Total job costs	78.49	67.20	71.89	72.95	74.52	75.22	81.65
Labor cost	31.22	30.51	31.37	28.33	29.43	29.96	32.22
Material cost	35.88	31.26	33.86	36.67	37.41	36.95	35.52
Sub contracts	7.80	3.26	2.68	5.35	5.86	5.41	9.73
Miscellaneous job costs	3.59	2.17	3.98	2.60	1.82	2.90	4.18
Gross margin	21.51	32.80	28.11	27.05	25.48	24.78	18.35
Overhead	17.58	25.45	24.12	23.12	21.62	19.64	14.92
Net from operations	3.93	7.35	3.99	3.93	3.86	5.14	3.43
Miscellaneous income	.29	.44	.43	.47	.35	.20	.27
Total net before taxes	4.22	7.79	4.42	4.40	4.21	5.34	3.70

OPERATIONS EXPRESSED IN PERCENTAGES TO TOTAL LABOR COSTS

Total job costs	251.41%	220.23%	229.16%	257.48%	253.22%	251.09%	253.40%
Labor cost	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Material cost	114.91	102.44	107.95	129.41	127.10	123.34	110.26
Sub contracts	25.00	10.68	8.53	18.89	19.93	18.05	30.19
Miscellaneous job costs	11.50	7.11	12.68	9.19	6.19	9.69	12.96
Gross margin	68.89	107.51	89.65	95.47	86.53	82.71	56.96
Overhead	56.31	83.40	76.89	81.61	73.45	65.55	46.30
Net from operations	12.58	24.11	12.75	13.86	13.08	17.16	10.66
Miscellaneous income	.92	1.43	1.36	1.67	1.18	.68	.83
Total net before taxes	13.50	25.53	14.11	15.53	14.27	17.84	11.49

DUAL RATE INFORMATION

Material/labor ratio	1.15/1.00	1.02/1.00	1.08/1.00	1.29/1.00	1.27/1.00	1.23/1.00	1.10/1.00
Overhead to apply to labor	38.70%	58.70%	53.50%	54.40%	49.20%	44.20%	32.10%
Overhead to apply to material	15.00%	24.00%	21.00%	20.00%	19.00%	17.00%	12.00%

ALL REPORTING	UP TO \$500,000	\$500,001 TO \$1,000,000	Sales Volume		\$1,000,001 TO \$2,000,000	\$2,000,001 TO \$4,000,000	OVER \$4,000,000
			\$1,000,001 TO \$2,000,000	\$2,000,001 TO \$4,000,000			

BALANCE SHEET

Current assets							
Cash	\$ 79,667	\$ 26,635	\$ 35,949	\$ 46,382	\$ 73,012	\$ 71,729	\$ 201,993
Accounts receivable	502,951	48,292	132,243	186,897	342,331	455,522	1,615,187
Material inventory	103,063	16,712	40,897	44,535	69,731	123,632	275,081
Work in process	109,037	7,093	22,478	21,830	41,374	80,188	414,033
Other	32,316	6,398	16,139	12,869	19,639	31,441	92,057
Total current assets	827,034	105,130	247,706	312,513	546,087	762,512	2,598,351
Fixed assets	128,282	43,453	53,795	73,704	91,801	116,937	344,683
Other assets	34,948	7,361	23,558	31,988	26,644	31,786	78,058
Total assets	990,264	155,944	325,059	418,205	664,532	911,235	3,021,092
Current liabilities	507,698	42,712	113,536	164,073	289,735	479,448	1,688,893
Long term liabilities	62,638	27,554	31,509	34,637	49,949	76,751	135,089
Other liabilities	34,627	2,216	13,351	6,713	15,746	12,283	137,696
Total liabilities	604,963	72,482	158,396	205,423	355,430	568,482	1,961,678
Total net worth	385,302	83,463	166,662	212,783	309,102	342,753	1,059,413

RATIOS

Current ratio (times)	1.63	2.46	2.18	1.90	1.88	1.59	1.54
Acid test (times)	1.15	1.75	1.48	1.42	1.43	1.10	1.08
Working capital (dollars)	\$319,336	\$ 62,418	\$134,170	\$148,440	\$256,352	\$283,064	\$ 909,458
Liability to net worth (times)	1.57	.87	.95	.97	1.15	1.66	1.85
Current to total assets (times)	.84	.67	.76	.75	.82	.84	.86
Net profit to net worth (%)	30.39%	28.56%	19.90%	26.54%	24.40%	41.98%	29.89%
Average age of accounts (days)	66.07	57.62	64.42	53.14	69.57	61.76	68.90
Working capital turnover (times)	8.70	4.90	5.58	8.65	7.01	9.51	9.41
Net profit to working cap. (%)	36.66%	38.18%	24.72%	38.05%	29.42%	50.83%	34.82%
Overhead to materials (%)	49.00%	81.41%	71.23%	63.06%	57.78%	53.14%	42.00%
Overhead to labor (%)	56.31%	83.40%	76.89%	81.61%	73.45%	65.55%	46.30%
Profit leaders-net profit (%)	9.78%	12.34%	7.95%	9.99%	9.79%	11.81%	8.32%

SALARIES PAID

Average salary of highest paid executive	\$ 49,852	\$ 30,892	\$ 38,493	\$ 42,425	\$ 46,790	\$ 52,719	\$ 77,660
Average salary of second highest paid executive	\$ 37,899	\$ 14,155	\$ 28,563	\$ 31,715	\$ 34,540	\$ 37,808	\$ 55,411
Highest paid executive	\$240,000	\$ 67,000	\$ 75,000	\$ 87,840	\$123,400	\$160,000	\$ 240,000

ARCHITECTURAL CONTRACTORS

3

ALL REPORTING	UP TO \$500,000	\$500,001 TO \$1,000,000	Sales Volume		\$1,500,001 TO \$2,000,000	\$2,000,001 TO \$4,000,000	OVER \$4,000,000
			\$1,000,001 TO \$1,500,000				

INCOME STATEMENT

Sales	\$1,195,960	\$277,961	\$548,129	I	I	I	I
Total job costs	795,088	170,263	386,518	N	N	N	N
Labor cost	310,810	95,422	218,413	S	S	S	S
Material cost	421,933	65,650	167,098	U	U	U	U
Sub contracts	57,829	8,835	-	F D	F D	F D	F D
Miscellaneous job costs	4,516	356	1,007	F A	F A	F A	F A
Gross margin	400,872	107,698	161,611	I T	I T	I T	I T
Overhead	339,199	93,545	139,235	C A	C A	C A	C A
Net from operations	61,673	14,153	22,376	I	I	I	I
Miscellaneous	3,180	672	3,002	E	E	E	E
Total net before taxes	64,853	14,825	25,378	N	N	N	N
				T	T	T	T

OPERATIONS EXPRESSED IN PERCENTAGES TO SALES

Sales	100.00%	100.00%	100.00%
Total job costs	66.49	61.26	70.52
Labor cost	25.99	34.33	39.85
Material cost	35.28	23.62	36.49
Sub contracts	4.84	3.18	.00
Miscellaneous job costs	.38	.13	.14
Gross margin	33.51	38.74	29.14
Overhead	28.36	33.65	25.89
Net from operations	5.15	5.09	4.08
Miscellaneous income	.27	.24	.55
Total net before taxes	5.42	5.33	4.63

OPERATIONS EXPRESSED IN PERCENTAGES TO TOTAL LABOR COSTS

Total job costs	255.81%	178.43%	176.97%
Labor cost	100.00	100.00	100.00
Material cost	135.75	68.80	76.51
Sub contracts	18.61	9.26	.00
Miscellaneous job costs	1.45	.37	.46
Gross margin	128.98	112.86	73.99
Overhead	109.13	98.03	63.75
Net from operations	19.84	14.83	10.24
Miscellaneous income	1.02	.70	1.37
Total net before taxes	20.87	15.54	11.62

DUAL RATE INFORMATION

Material/Labor ratio	1.36/1.00	.69/1.00	.77/1.00
Overhead to apply to labor	72/10%	73.90%	47.10%
Overhead to apply to material	27.00%	35.00%	21.00%

ARCHITECTURAL CONTRACTORS

4

ALL REPORTING	TO \$50,000	\$500,001 TO \$1,000,000	Sales Volume			
			\$1,000,001 TO \$1,500,000	\$1,500,001 TO \$2,000,000	\$2,000,001 TO \$4,000,000	OVER \$4,000,000

BALANCE SHEET

Current assets						
Cash	\$100,990	\$ 45,727	\$ 40,431	I	I	I
Accounts receivable	230,769	80,609	63,787	N	N	N
Material inventory	139,038	23,919	53,007	S	S	S
Work in process	20,782	11,417	2,124	U	U	U
Other	16,151	3,356	32,973	F D	F D	F D
Total current assets	507,730	165,028	192,322	F A	F A	F A
Fixed assets	65,762	49,366	31,614	I T	I T	I T
Other assets	31,077	2,008	26,180	C A	C A	C A
Total assets	604,569	216,402	250,116	I	I	I
			E	E	E	E
Current liabilities	147,376	21,886	15,213	N	N	N
Long term liabilities	37,045	9,937	25,708	T	T	T
Other liabilities	10,185	3,333	9,489			
Total liabilities	194,606	35,156	50,410			
Total net worth	409,962	181,246	199,706			

RATIOS

Current ratio (times)	3.45	7.54	12.64
Acid test (times)	2.25	5.77	6.85
Working capital (dollars)	\$360,354	\$143,142	\$177,109
Liability to net worth (times)	.47	.19	.25
Current to total assets (times)	.84	.76	.77
Net profit to net worth (%)	15.82%	8.18%	12.71%
Average age of accounts (days)	70.43	105.85	42.48
Working capital turnover (times)	3.32	1.94	3.09
Net profit to working cap. (%)	18.00%	10.36%	14.33%
Overhead to materials (%)	80.39%	142.49%	83.33%
Overhead to labor (%)	109.13%	98.03%	63.75%
Profit leaders-net profit (%)	8.90%	14.91%	6.37%

SALARIES PAID

Average salary of highest paid executive	\$ 56,054	\$ 38,600	\$ 54,115
Average salary of second highest paid executive	\$ 50,452	-	\$ 39,430
Highest paid executive	\$125,000	\$ 65,000	\$ 68,230

RESIDENTIAL CONTRACTORS

5

ALL REPORTING	UP TO \$500,000	\$500,001 TO \$1,000,000	Sales Volume		\$1,500,001 TO \$2,000,000	\$2,000,001 TO \$4,000,000	OVER \$4,000,000
			\$1,000,001 TO \$1,500,000				

INCOME STATEMENT

Sales	\$2,718,131	\$214,448	\$796,024	I	I	\$2,380,618	\$8,361,098
Total job costs	2,305,237	158,997	535,922	N	N	1,949,565	7,374,367
Labor cost	638,380	62,784	152,917	S	S	600,189	1,981,976
Material cost	1,414,228	94,942	336,972	U	U	1,249,709	4,357,840
Sub contracts	42,065	732	7,443	F D	F D	93,357	62,115
Miscellaneous job costs	210,564	539	38,590	F A	F A	6,310	972,636
Gross margin	412,894	55,451	260,102	I T	I T	431,053	986,731
Overhead	308,367	49,203	223,789	C A	C A	364,319	618,133
Net from operations	104,527	6,248	36,313	I	I	66,734	368,598
Miscellaneous income	15,797	3,767	1,512	E	E	5,693	65,165
Total net before taxes	120,324	10,015	37,825	N	N	72,427	433,763
				T	T		

OPERATIONS EXPRESSED IN PERCENTAGES TO SALES

Sales	100.00%	100.00%	100.00%			100.00%	100.00%
Total job costs	84.82	74.14	67.33			81.90	88.19
Labor cost	23.49	29.28	19.21			25.21	23.70
Material cost	52.03	44.27	42.33			52.50	52.12
Sub contracts	1.55	.34	.94			3.92	.74
Miscellaneous job costs	7.75	.25	4.85			.27	11.63
Gross margin	15.18	25.86	32.67			18.10	11.81
Overhead	11.34	22.94	28.11			15.30	7.39
Net from operations	3.84	2.92	4.56			2.80	4.42
Miscellaneous income	.58	1.76	.19			.24	.78
Total net before taxes	4.42	4.68	4.75			3.04	5.20

OPERATIONS EXPRESSED IN PERCENTAGES TO TOTAL LABOR COSTS

Total job costs	361.11%	253.24%	350.47%			324.83%	372.07%
Labor cost	100.00	100.00	100.00			100.00	100.00
Material cost	221.53	151.22	220.36			208.22	219.86
Sub contracts	6.59	1.17	4.87			15.55	3.13
Miscellaneous job costs	32.98	.86	25.24			1.05	49.07
Gross margin	64.68	88.32	170.09			71.82	49.79
Overhead	48.30	78.37	146.33			60.70	31.19
Net from operations	16.37	9.95	23.75			11.12	18.60
Miscellaneous income	2.47	6.00	.99			.95	3.29
Total net before taxes	18.85	15.95	24.74			12.07	21.89

BIDAL RATE INFORMATION

Material/Labor ratio	2.22/1.00	1.51/1.00	2.20/1.00			2.08/1.00	2.20/1.00
Overhead to apply to labor	28.50%	50.30%	86.60%			36.20%	18.40%
Overhead to apply to material	8.00%	18.00%	27.00%			11.00%	5.00%

RESIDENTIAL CONTRACTORS

6

	ALL	UP TO	\$500,001	Sales Volume \$1,000,001	\$1,500,001	\$2,000,001	OVER
	REPORTING	\$500,000	TO \$1,000,000	TO \$1,500,000	TO \$2,000,000	TO \$4,000,000	\$4,000,000

BALANCE SHEET

Current assets							
Cash	\$ 80,792	\$ 50,276	\$ 14,485	I	I	\$ 15,702	\$ 297,645
Accounts receivable	407,287	15,183	110,073	N	N	268,866	1,473,893
Material inventory	90,097	6,051	60,558	S	S	129,852	163,375
Work in process	249,909	12,500	25,954	U	U	50,918	1,110,527
Other	10,838	2,677	7,454	F D	F D	10,170	23,984
Total current assets	838,923	86,687	218,524	F A	F A	475,508	3,069,424
Fixed assets	67,365	47,691	28,212	I T	I T	58,160	153,620
Other assets	59,623	46,743	1,392	C A	C A	27,485	200,778
Total assets	965,911	181,121	248,128	I	I	561,153	3,423,822
				E	E	-	-
Current liabilities	558,295	24,381	129,392	N	N	298,272	2,121,207
Long term liabilities	49,562	7,521	11,522	T	T	134,780	20,181
Other liabilities	49,365	7,403	-			-	239,424
Total liabilities	657,222	39,305	140,914			433,052	2,380,812
Total net worth	308,688	141,817	107,213			128,100	1,043,008

RATIOS

Current ratio (times)	1.50	3.56	1.69			1.59	1.45
Acid test (times)	.87	2.68	.96			.95	.84
Working capital (dollars)	\$280,628	\$ 62,306	\$ 89,132			\$177,236	\$ 948,217
Liability to net worth (times)	2.13	.28	1.31			3.38	2.28
Current to total assets (times)	.87	.48	.88			.85	.90
Net profit to net worth (%)	38.98%	7.06%	35.28%			56.54%	41.59%
Average age of accounts (days)	54.69	25.84	50.47			41.22	64.34
Working capital turnover (times)	9.69	3.44	8.93			13.43	8.82
Net profit to working cap. (%)	42.88%	16.07%	42.44%			40.86%	45.75%
Overhead to materials (%)	21.80%	51.82%	66.41%			29.15%	14.19%
Overhead to labor (%)	48.30%	78.37%	146.35%			60.70%	31.19%
Profit leaders-net profit (%)	8.16%	11.18%	8.96%			7.94%	7.97%

SALARIES PAID

Average salary of highest paid executive	\$ 51,245	-	\$ 30,600			\$ 48,560	\$ 72,940
Average salary of second highest paid executive	\$ 43,384	-	\$ 28,600			\$ 43,560	\$ 50,513
Highest paid executive	\$ 78,880	-	\$ 31,200			\$ 62,000	\$ 78,880

INDUSTRIAL CONTRACTORS

7

ALL REPORTING	UP TO \$500,000	Sales Volume				
		\$500,001 TO \$1,000,000	\$1,000,001 TO \$1,500,000	\$1,500,001 TO \$2,000,000	\$2,000,001 TO \$4,000,000	OVER \$4,000,000

INCOME STATEMENT

Sales	\$1,753,238	\$331,489	\$775,717	\$1,250,916	\$1,865,452	\$2,757,963	\$6,627,686
Total job costs	1,272,516	206,953	570,619	816,136	1,314,920	2,067,525	4,977,919
Labor cost	643,556	112,005	298,008	391,889	643,770	1,113,798	2,438,207
Material cost	496,392	80,097	223,644	358,188	558,842	695,680	1,979,785
Sub contracts	65,994	4,463	16,257	30,617	110,955	123,686	247,950
Miscellaneous job costs	66,574	10,388	32,710	35,442	1,353	134,361	311,977
Gross margin	480,722	124,536	205,098	434,780	550,532	690,438	1,649,767
Overhead	405,483	100,556	182,114	357,522	464,607	572,821	1,409,013
Net from operations	75,239	23,980	22,984	77,258	85,925	117,617	240,754
Miscellaneous income	6,390	1,752	900	6,397	7,749	20,238	8,064
Total net before taxes	81,629	25,732	23,884	83,655	93,674	137,855	248,818

OPERATIONS EXPRESSED IN PERCENTAGES TO SALES

Sales	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Total job costs	72.58	62.43	73.57	65.24	70.49	74.95	75.11
Labor cost	36.71	33.79	38.42	31.33	34.51	40.38	36.79
Material cost	28.31	24.16	28.83	28.63	29.96	25.22	29.87
Sub contracts	3.76	1.35	2.10	2.45	5.95	4.48	3.74
Miscellaneous job costs	3.80	3.13	4.22	2.83	.07	4.87	4.71
Gross margin	27.42	37.57	26.43	34.76	29.51	25.05	24.89
Overhead	23.13	30.33	23.48	28.58	24.91	20.77	21.26
Net from operations	4.29	7.24	2.95	6.18	4.60	4.28	3.63
Miscellaneous income	.36	.53	.12	.51	.42	.73	.12
Total net before taxes	4.65	7.77	3.07	6.69	5.02	5.01	3.75

OPERATIONS EXPRESSED IN PERCENTAGES TO TOTAL LABOR COSTS

Total job costs	197.73%	184.77%	191.48%	208.26%	204.25%	185.63%	204.16%
Labor cost	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Material cost	77.13	71.51	75.05	91.40	86.81	62.46	81.20
Sub contracts	10.25	3.98	5.46	7.81	17.24	11.10	10.17
Miscellaneous job costs	10.34	9.27	10.98	9.04	.21	12.06	12.80
Gross margin	74.70	111.19	68.82	110.94	85.52	61.99	67.66
Overhead	63.01	89.78	61.11	91.23	72.17	51.43	57.79
Net from operations	11.69	21.41	7.71	19.71	13.35	10.56	9.87
Miscellaneous income	.99	1.56	.30	1.63	1.20	1.82	.33
Total net before taxes	12.68	22.97	8.01	21.35	14.55	12.38	10.20

DUAL RATE INFORMATION

Material/Labor ratio	.77/1.00	.72/1.00	.75/1.00	.91/1.00	.87/1.00	.62/1.00	.81/1.00
Overhead to apply to labor	46.50%	67.20%	45.30%	65.40%	52.20%	39.50%	42.20%
Overhead to apply to material	21.00%	31.00%	20.00%	28.00%	22.00%	19.00%	19.00%

INDUSTRIAL CONTRACTORS

8

ALL REPORTING	UP TO \$500,000	Sales Volume					OVER \$4,000,000
		\$500,001 TO \$1,000,000	\$1,000,001 TO \$1,500,000	\$1,500,001 TO \$2,000,000	\$2,000,001 TO \$4,000,000		

BALANCE SHEET

Current assets							
Cash	\$ 57,374	\$ 35,869	\$ 25,125	\$ 91,234	\$ 61,864	\$ 89,777	\$ 72,910
Accounts receivable	322,926	39,638	86,987	145,211	326,361	425,462	1,703,070
Material inventory	81,164	19,615	31,343	50,637	90,178	132,227	309,761
Work in process	134,554	5,690	24,679	15,007	38,829	140,747	1,018,755
Other	16,121	3,017	8,656	5,408	34,940	30,890	37,344
Total current assets	612,139	103,829	176,790	307,497	552,172	819,103	3,141,840
Fixed assets	169,994	71,569	62,513	123,110	105,365	202,334	774,471
Other assets	34,696	8,904	2,761	46,414	36,261	67,287	101,214
Total assets	816,829	184,302	242,064	477,021	693,798	1,088,724	4,017,525
Current liabilities	342,828	46,526	76,802	115,621	234,708	452,915	2,042,209
Long term liabilities	54,995	26,584	16,214	17,410	60,842	77,242	240,971
Other liabilities	51,169	4,123	11,216	-	13,685	44,745	402,940
Total liabilities	448,992	77,233	104,232	133,031	309,235	574,902	2,686,120
Total net worth	367,835	107,070	137,833	343,990	384,563	513,822	1,331,404

RATIOS

Current ratio (times)	1.79	2.23	2.30	2.66	2.35	1.81	1.54
Acid test (times)	1.11	1.62	1.46	2.05	1.65	1.14	.87
Working capital (dollars)	\$269,311	\$ 57,303	\$ 99,988	\$191,876	\$317,464	\$ 366,188	\$1,099,631
Liability to net worth (times)	1.22	.72	.76	.39	.80	1.12	2.02
Current to total assets (times)	.75	.56	.73	.64	.80	.75	.78
Net profit to net worth (%)	22.19%	24.03%	17.33%	24.32%	24.36%	26.83%	18.69%
Average age of accounts (days)	67.23	43.65	40.93	42.37	63.86	56.31	93.79
Working capital turnover (times)	6.51	5.78	7.76	6.52	5.88	7.53	6.03
Net profit to working cap. (%)	30.31%	44.91%	23.89%	43.60%	29.51%	37.65%	22.63%
Overhead to materials (%)	81.69%	125.54%	81.43%	99.81%	83.14%	82.34%	71.17%
Overhead to labor (%)	63.01%	89.78%	61.11%	91.23%	72.17%	51.43%	57.79%
Profit leaders-net profit (%)	8.96%	12.20%	6.38%	10.50%	7.28%	8.73%	-

SALARIES PAID

Average salary of highest paid executive	\$ 44,666	\$ 37,111	\$ 37,058	\$ 45,347	\$ 43,280	\$ 53,267	\$ 64,520
Average salary of second highest paid executive	\$ 31,440	\$ 11,667	\$ 29,472	\$ 25,325	\$ 37,165	\$ 39,317	\$ 37,302
Highest paid executive	\$150,000	\$ 67,000	\$ 60,000	\$ 63,000	\$ 67,400	\$ 85,000	\$ 150,000

Sales Volume						
ALL	UP TO	\$500,001	\$1,000,001	\$1,500,001	\$2,000,001	OVER
		TO	TO	TO	TO	
REPORTING	\$500,000	\$1,000,000	\$1,500,000	\$2,000,000	\$4,000,000	\$4,000,000

INCOME STATEMENT

Sales	\$2,173,998	\$311,636	\$783,926	\$1,295,927	\$1,766,698	\$2,585,702	\$7,113,217
Total job costs	1,633,422	217,015	571,238	957,083	1,334,389	1,912,937	5,442,804
Labor cost	703,082	91,767	242,339	377,933	560,029	809,030	2,421,785
Material cost	775,104	106,412	269,062	472,656	669,511	902,187	2,538,603
Sub contracts	101,457	13,624	24,840	73,429	45,425	131,198	344,439
Miscellaneous job costs	53,779	5,212	34,997	33,065	59,424	70,522	137,977
Gross margin	540,576	94,621	212,688	338,844	432,309	672,765	1,670,413
Overhead	430,500	71,966	179,865	283,330	332,579	550,827	1,292,565
Net from operations	110,076	22,655	32,823	55,514	99,730	121,938	377,848
Miscellaneous income	6,474	891	3,182	5,391	2,766	3,671	25,134
Total net before taxes	116,550	23,546	36,005	60,905	102,496	125,609	402,982

OPERATIONS EXPRESSED IN PERCENTAGES TO SALES

Sales	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Total job costs	75.13	69.64	72.86	73.85	73.53	73.98	76.52
Labor cost	32.34	29.45	30.91	29.16	31.70	31.29	34.05
Material cost	35.65	34.15	34.32	36.47	37.90	34.89	35.69
Sub contracts	4.67	4.37	3.17	5.67	2.57	5.07	4.84
Miscellaneous job costs	2.47	1.67	4.46	2.55	3.36	2.73	1.94
Gross margin	24.87	30.36	27.14	26.15	24.47	26.02	23.48
Overhead	19.80	23.09	22.94	21.86	18.82	21.30	18.17
Net from operations	5.07	7.27	4.20	4.29	5.65	4.72	5.31
Miscellaneous income	.30	.29	.41	.42	.16	.14	.35
Total net before taxes	5.37	7.56	4.61	4.71	5.81	4.86	5.66

OPERATIONS EXPRESSED IN PERCENTAGES TO TOTAL LABOR COSTS

Total job costs	232.32%	236.48%	235.72%	253.24%	238.27%	236.45%	224.74%
Labor cost	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Material cost	110.24	115.96	111.03	125.06	119.55	111.51	104.82
Sub contracts	14.43	14.85	10.25	19.43	8.11	16.22	14.22
Miscellaneous job costs	7.65	5.68	14.44	8.75	10.61	8.72	5.70
Gross margin	76.89	103.11	87.76	89.66	77.19	83.16	68.97
Overhead	61.23	78.42	74.22	74.97	59.39	68.08	53.37
Net from operations	15.66	24.69	13.54	14.69	17.81	15.07	15.60
Miscellaneous income	.92	.97	1.31	1.43	.49	.45	1.04
Total net before taxes	16.58	25.66	14.86	16.12	18.30	15.53	16.64

DUAL RATE INFORMATION

Material/Labor ratio	1.10/1.00	1.16/1.00	1.11/1.00	1.25/1.00	1.20/1.00	1.12/1.00	1.05/1.00
Overhead to apply to labor	42.40%	53.70%	51.40%	50.40%	40.40%	47.10%	37.40%
Overhead to apply to material	16.00%	21.00%	20.00%	19.00%	15.00%	18.00%	15.00%

ALL REPORTING	UP TO \$500,000	Sales Volume					OVER \$4,000,000
		\$500,001 TO \$1,000,000	\$1,000,001 TO \$1,500,000	\$1,500,001 TO \$2,000,000	\$2,000,001 TO \$4,000,000		

BALANCE SHEET

Current assets							
Cash	\$ 69,504	\$16,263	\$ 29,391	\$ 46,691	\$104,460	\$ 73,013	\$ 185,580
Accounts receivable	375,108	52,803	160,676	204,842	328,578	407,924	1,252,059
Material inventory	97,130	16,266	42,070	43,775	57,168	102,948	355,774
Work in process	54,611	1,937	7,191	16,913	17,396	111,763	181,113
Other	22,854	7,018	5,777	14,853	22,291	27,954	68,170
Total current assets	619,207	94,287	245,105	327,074	529,993	723,602	2,042,696
Fixed assets	114,058	23,059	42,684	67,808	106,801	122,991	369,485
Other assets	27,307	3,984	19,069	32,836	38,598	26,812	51,679
Total assets	760,572	121,330	306,858	427,718	675,392	873,405	2,463,860
Current liabilities	315,876	48,086	104,157	172,837	239,292	454,364	973,812
Long term liabilities	62,945	24,860	32,283	41,982	53,741	92,113	144,635
Other liabilities	22,467	922	11,372	9,110	12,100	7,556	106,645
Total liabilities	401,288	73,868	147,812	223,929	305,133	554,033	1,225,092
Total net worth	359,283	47,463	159,046	203,790	370,260	319,371	1,238,767

RATIOS

Current ratio (times)	1.96	1.96	2.35	1.89	2.21	1.59	2.10
Acid test (times)	1.41	1.44	1.82	1.46	1.81	1.06	1.48
Working capital (dollars)	\$303,331	\$46,201	\$140,948	\$154,237	\$290,701	\$269,238	\$1,068,884
Liability to net worth (times)	1.12	1.56	.93	1.10	.82	1.73	.99
Current to total assets (times)	.81	.78	.80	.76	.78	.83	.83
Net profit to net worth (%)	32.44%	49.61%	22.64%	29.89%	27.68%	39.33%	32.53%
Average age of accounts (days)	62.98	61.84	74.81	57.69	67.90	57.58	64.25
Working capital turnover (times)	7.17	6.75	5.55	8.40	6.08	9.60	6.65
Net profit to working cap. (%)	38.42%	50.96%	25.34%	39.49%	35.26%	46.65%	37.70%
Overhead to materials (%)	55.54%	67.63%	66.85%	59.94%	49.67%	61.05%	50.92%
Overhead to labor (%)	61.23%	78.42%	74.22%	74.97%	59.39%	68.08%	53.37%
Profit leaders-net profit (%)	9.23%	11.52%	8.50%	9.86%	12.90%	9.91%	8.41%

SALARIES PAID

Average salary of highest paid executive	\$ 50,684	\$26,218	\$ 37,170	\$ 41,251	\$ 52,376	\$ 52,703	\$ 99,792
Average salary of second highest paid executive	\$ 37,741	\$15,399	\$ 25,985	\$ 31,685	\$ 34,158	\$ 36,192	\$ 67,547
Highest paid executive	\$240,000	\$40,000	\$ 68,000	\$ 75,000	\$123,400	\$160,000	\$ 240,000

HEATING & AIR CONDITIONING SHEET METAL & PIPING CONTRACTORS

11

	ALL	UP TO	\$500,001	Sales Volume \$1,000,001	\$1,500,001	\$2,000,001	OVER
	REPORTING	\$500,000	TO \$1,000,000	TO \$1,500,000	TO \$2,000,000	TO \$4,000,000	\$4,000,000

INCOME STATEMENT

Sales	\$4,996,502	\$255,513	\$820,822	\$1,299,249	\$1,818,719	\$2,833,098	\$11,494,167
Total job costs	4,150,766	167,805	584,742	1,012,888	1,380,175	2,192,371	9,799,383
Labor cost	1,526,522	36,459	209,559	294,234	447,738	774,423	3,688,785
Material cost	1,779,994	119,995	320,660	538,793	764,155	1,065,170	3,949,684
Sub contracts	633,284	6,314	41,394	135,657	140,283	299,532	1,588,027
Miscellaneous job costs	210,966	5,037	13,129	44,204	27,999	53,246	572,887
Gross margin	845,736	87,708	236,080	286,361	438,544	640,727	1,694,784
Overhead	701,712	55,227	196,928	277,442	399,076	497,937	1,397,950
Net from operations	144,024	32,481	39,152	8,919	39,468	142,790	296,834
Miscellaneous income	11,401	-	2,552	5,668	7,842	9,414	20,976
Total net before taxes	155,425	32,481	41,704	14,587	47,310	152,204	317,810

OPERATIONS EXPRESSED IN PERCENTAGES TO SALES

Sales	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Total job costs	83.06	65.67	71.24	77.96	75.89	77.38	85.25
Labor cost	30.55	14.27	25.53	22.65	24.62	27.33	32.09
Material cost	35.62	46.96	39.07	41.47	42.02	37.60	34.36
Sub contracts	12.67	2.47	5.04	10.44	7.71	10.57	13.82
Miscellaneous job costs	4.22	1.97	1.60	3.40	1.54	1.88	4.98
Gross margin	16.94	34.33	28.76	22.04	24.11	22.62	14.75
Overhead	14.04	21.61	23.99	21.35	21.94	17.58	12.16
Net from operations	2.90	12.72	4.77	.69	2.17	5.04	2.59
Miscellaneous income	.23	.00	.31	.44	.43	.33	.18
Total net before taxes	3.13	12.72	5.08	1.13	2.60	5.37	2.77

OPERATIONS EXPRESSED IN PERCENTAGES TO TOTAL LABOR COSTS

Total job costs	271.91%	460.26%	279.03%	344.25%	308.26%	283.10%	265.65%
Labor cost	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Material cost	116.60	329.12	153.02	183.12	170.67	137.54	107.07
Sub contracts	41.49	17.32	19.75	46.11	31.33	38.68	43.05
Miscellaneous job costs	13.82	13.82	6.27	15.07	6.25	6.88	15.53
Gross margin	55.40	240.57	112.66	97.32	97.95	82.74	45.94
Overhead	45.97	151.48	93.97	94.29	89.13	64.30	37.90
Net from operations	9.43	89.09	18.68	3.03	8.81	18.44	8.05
Miscellaneous income	.75	.00	1.22	1.91	1.75	1.22	.57
Total net before taxes	10.18	89.09	19.90	4.96	10.57	19.65	8.62

DUAL RATE INFORMATION

Material/Labor ratio	1.17/1.00	3.29/1.00	1.53/1.00	1.83/1.00	1.71/1.00	1.38/1.00	1.07/1.00
Overhead to apply to labor	31.50%	82.20%	60.20%	58.00%	55.80%	42.30%	26.40%
Overhead to apply to material	12.00%	21.00%	22.00%	19.00%	19.00%	15.00%	10.00%

	ALL	UP TO	\$500,001	Sales Volume \$1,000,001	\$1,500,001	\$2,000,001	OVER
	REPORTING	\$500,000	TO \$1,000,000	TO \$1,500,000	TO \$2,000,000	TO \$4,000,000	\$4,000,000

BALANCE SHEET

Current assets							
Cash	\$ 113,831	\$ 19,560	\$ 37,150	\$ 21,049	\$ 51,420	\$ 84,157	\$ 236,143
Accounts receivable	963,629	38,124	170,344	161,291	378,839	517,777	2,238,854
Material inventory	114,884	5,524	33,924	40,352	71,756	75,776	229,833
Work in process	181,142	43,500	5,567	39,035	53,497	12,766	493,535
Other	63,422	22,000	10,712	15,876	12,911	32,426	152,824
Total current assets	1,436,908	128,708	257,697	277,603	568,423	722,902	3,351,189
Fixed assets	155,631	63,252	62,842	54,149	79,661	94,083	316,340
Other assets	42,627	-	11,236	21,367	15,710	31,218	89,081
Total assets	1,635,166	191,960	331,775	353,119	663,794	848,203	3,756,610
Current liabilities	1,042,950	26,932	122,414	185,109	353,144	482,132	2,534,176
Long term liabilities	58,915	96,356	35,048	40,774	44,857	40,046	90,332
Other liabilities	54,431	-	16,037	15,535	23,580	11,295	133,542
Total liabilities	1,156,296	123,288	173,499	241,418	421,581	533,473	2,758,050
Total net worth	478,870	68,671	158,277	111,700	242,212	314,731	998,561

RATIOS

Current ratio (times)	1.38	4.78	2.11	1.50	1.61	1.50	1.32
Acid test (times)	1.03	2.14	1.70	.99	1.22	1.25	.98
Working capital (dollars)	\$ 393,958	\$101,770	\$135,283	\$ 92,494	\$215,279	\$240,770	\$ 817,013
Liability to net worth (times)	2.41	1.80	1.10	2.16	1.74	1.70	2.76
Current to total assets (times)	.88	.67	.78	.79	.86	.85	.89
Net profit to net worth (%)	32.46%	47.30%	26.35%	13.06%	19.53%	48.36%	31.83%
Average age of accounts (days)	70.39	54.46	75.75	45.31	76.03	66.71	71.10
Working capital turnover (times)	12.68	2.51	6.07	14.05	8.45	11.77	14.07
Net profit to working cap. (%)	39.45%	31.91%	30.83%	15.77%	21.98%	63.22%	38.90%
Overhead to materials (%)	39.42%	46.02%	61.41%	51.49%	52.22%	46.75%	35.39%
Overhead to labor (%)	45.97%	151.48%	93.97%	94.29%	89.13%	64.30%	37.90%
Profit leaders-net profit (%)	10.83%	12.71%	7.97%	-	8.21%	14.28%	7.80%

SALARIES PAID

Average salary of highest paid executive	\$ 50,455	\$ 26,500	\$ 42,629	\$ 33,611	\$ 42,754	\$ 50,762	\$ 64,421
Average salary of second highest paid executive	\$ 38,677	-	\$ 31,550	\$ 26,602	\$ 32,263	\$ 39,039	\$ 49,375
Highest paid executive	\$ 110,000	\$ 26,500	\$ 75,000	\$ 46,056	\$ 81,500	\$ 72,000	\$ 110,000

SHEET METAL & ROOFING CONTRACTORS

13

ALL REPORTING	UP TO \$500,000	\$500,001 TO \$1,000,000	Sales Volume		\$1,500,001 TO \$2,000,000	\$2,000,001 TO \$4,000,000	OVER \$4,000,000
			\$1,000,001 TO \$1,500,000	\$1,500,001 TO \$2,000,000			

INCOME STATEMENT

Sales	\$2,177,219	\$326,199	\$652,282	\$1,232,029	I	\$2,814,731	\$5,559,316
Total job costs	1,657,343	239,418	480,216	847,714	N	2,081,056	4,495,686
Labor cost	652,773	107,090	215,691	396,933	S	779,587	1,681,692
Material cost	803,269	95,064	223,326	390,660	U	1,160,887	1,900,045
Sub contracts	104,727	18,258	6,387	38,250	F D	296	684,574
Miscellaneous job costs	96,574	19,006	34,812	21,871	F A	140,286	229,375
Gross margin	519,876	86,781	172,066	384,315	I I	733,675	1,063,630
Overhead	392,533	53,435	144,522	358,972	C A	501,862	860,523
Net from operations	127,343	33,346	27,544	25,343	I	231,813	203,107
Miscellaneous income	6,575	3,062	5,552	17,406	E	8,489	40,732
Total net before taxes	133,918	36,408	33,096	42,749	N	223,324	243,839
					T		

OPERATIONS EXPRESSED IN PERCENTAGES TO SALES

Sales	100.00%	100.00%	100.00%	100.00%		100.00%	100.00%
Total job costs	76.12	73.40	73.63	68.81		73.93	80.87
Labor cost	29.98	32.83	33.07	32.22		27.70	30.25
Material cost	36.89	29.14	34.24	31.71		41.24	34.18
Sub contracts	4.81	5.60	.98	3.10		.01	12.31
Miscellaneous job costs	4.44	5.83	5.34	1.78		4.98	4.13
Gross margin	23.88	26.60	26.37	31.19		26.07	19.13
Overhead	18.03	16.38	22.16	29.14		17.83	15.48
Net from operations	5.85	10.22	4.21	2.05		8.24	3.65
Miscellaneous income	.30	.94	.85	1.41		.30	.73
Total net before taxes	6.15	11.16	5.06	3.46		7.94	4.38

OPERATIONS EXPRESSED IN PERCENTAGES TO TOTAL LABOR COSTS

Total job costs	253.89%	223.57%	222.64%	213.57%		266.94%	267.33%
Labor cost	100.00	100.00	100.00	100.00		100.00	100.00
Material cost	123.05	88.77	103.54	98.42		148.91	112.98
Sub contracts	16.04	17.05	2.96	9.64		.04	40.71
Miscellaneous job costs	14.79	17.75	16.14	5.31		17.99	13.64
Gross margin	79.64	81.04	79.77	96.82		94.11	63.23
Overhead	60.13	49.90	67.00	90.44		64.38	51.17
Net from operations	19.51	31.14	12.77	6.38		29.74	12.08
Miscellaneous income	1.01	2.86	2.57	4.39		1.09	2.42
Total net before taxes	20.52	34.00	15.34	10.77		28.65	14.50

DUAL RATE INFORMATION

Material/Labor Ratio	1.23/1.00	.89/1.00	1.04/1.00	.98/1.00		1.49/1.00	1.13/1.00
Overhead to apply to labor	40.60%	36.00%	47.00%	64.10%		41.30%	35.30%
Overhead to apply to material	15.00%	15.00%	19.00%	26.00%		15.00%	14.00%

SHEET METAL & ROOFING CONTRACTORS

14

ALL	UP TO	\$500,001	Sales Volume \$1,000,001	\$1,500,001	\$2,000,001	OVER
REPORTING	\$500,000	\$1,000,000	\$1,500,000	\$2,000,000	\$4,000,000	\$4,000,000

BALANCE SHEET

Current assets								
Cash	\$ 65,130	\$ 28,042	\$ 53,739	\$ 4,652	I	\$ 50,331	\$ 213,639	
Accounts receivable	376,073	43,693	124,803	300,841	N	520,354	806,806	
Material inventory	119,247	18,481	41,255	87,716	S	204,977	134,009	
Work in process	72,616	8,937	90,809	-	U	26,689	211,469	
Other	43,910	9,031	69,157	10,420	F D	49,507	37,704	
Total current assets	676,976	108,184	379,763	403,629	F A	851,858	1,403,627	
Fixed assets	91,373	57,373	50,531	69,962	I T	103,530	184,484	
Other assets	45,560	5,134	101,488	36,345	C A	17,401	52,204	
Total assets	813,909	170,691	531,782	509,936	I	972,789	1,640,315	
					E			
Current liabilities	400,470	45,227	241,011	282,285	N	564,757	633,493	
Long term liabilities	61,038	32,473	43,254	49,285	T	69,586	111,020	
Other liabilities	17,956	-	14,232	-		1,289	99,778	
Total liabilities	479,464	77,700	298,497	331,570		635,632	844,291	
Total net worth	334,444	92,992	233,285	178,365		337,158	796,025	

RATIOS

Current ratio (times)	1.69	2.39	1.58	1.43		1.51	2.22
Acid test (times)	1.10	1.59	.74	1.08		1.01	1.61
Working capital (dollars)	\$276,506	\$ 62,957	\$138,752	\$121,344		\$287,101	\$ 770,134
Liability to net worth (times)	1.43	.84	1.28	1.86		1.89	1.06
Current to total assets (times)	.83	.63	.71	.79		.88	.86
Net profit to net worth (%)	40.04%	39.15%	14.19%	23.97%		66.24%	30.63%
Average age of accounts (days)	63.05	48.89	69.84	89.13		67.48	52.97
Working capital turnover (times)	7.87	5.18	4.70	10.15		9.80	7.22
Net profit to working cap. (%)	48.43%	57.83%	23.85%	35.23%		77.79%	31.66%
Overhead to materials (%)	48.87%	56.21%	64.71%	91.89%		43.23%	45.29%
Overhead to labor (%)	60.13%	49.90%	67.00%	90.44%		64.38%	51.17%
Profit leaders-net profit (%)	14.18%	26.63%	8.95%	-		14.58%	-

SALARIES PAID

Average salary of highest paid executive	\$ 51,485	\$ 26,259	\$ 31,519	\$ 58,220		\$ 54,013	\$ 103,800
Average salary of second highest paid executive	\$ 40,443	-	\$ 27,305	\$ 41,560		\$ 33,625	\$ 74,133
Highest paid executive	\$165,400	\$ 38,893	\$ 45,313	\$ 87,840		\$ 85,000	\$ 165,400

ALL REPORTING	UP TO \$500,000	\$500,001 TO \$1,000,000	Sales Volume		\$1,500,001 TO \$2,000,000	\$2,000,001 TO \$4,000,000	OVER \$4,000,000
			\$1,000,001 TO \$1,500,000				

INCOME STATEMENT

Sales	\$2,554,992	I	\$583,931	\$1,290,789	I	I	\$5,063,051
Total job costs	1,878,704	N	348,605	982,245	N	N	3,765,303
Labor cost	704,142	S	145,356	334,656	S	S	1,470,957
Material cost	1,067,449	U	168,701	546,417	U	U	2,052,297
Sub contracts	89,837	F D	3,329	60,608	F D	F D	221,559
Miscellaneous job costs	17,276	F A	31,219	10,564	F A	F A	20,490
Gross margin	676,288	I T	235,326	308,544	I T	I T	1,297,748
Overhead	625,406	C A	214,956	256,361	C A	C A	1,210,185
Net from operations	50,882	I	20,370	52,183	I	I	87,563
Miscellaneous income	7,445	E	9,040	4,562	E	E	8,646
Total net before taxes	58,327	N	29,410	56,745	N	N	96,209
		T			T	T	

OPERATIONS EXPRESSED IN PERCENTAGES TO SALES

Sales	100.00%	100.00%	100.00%	100.00%		100.00%
Total job costs	73.54	59.70	76.10			74.36
Labor cost	27.56	24.89	28.25			29.05
Material cost	41.78	28.89	42.33			40.53
Sub contracts	3.52	.57	4.70			4.38
Miscellaneous job costs	.68	5.35	.82			.40
Gross margin	26.46	40.30	23.90			25.64
Overhead	24.48	36.81	19.86			23.90
Net from operations	1.98	3.49	4.04			1.74
Miscellaneous income	.29	1.55	.35			.17
Total net before taxes	2.27	5.04	4.39			1.91

OPERATIONS EXPRESSED IN PERCENTAGES TO TOTAL LABOR COSTS

Total job costs	266.81%	239.83%	269.36%			255.98%
Labor cost	100.00	100.00	100.00			100.00
Material cost	151.60	116.06	149.84			139.52
Sub contracts	12.76	2.29	16.62			15.06
Miscellaneous job costs	2.45	21.48	2.90			1.39
Gross margin	96.04	161.90	84.61			88.22
Overhead	88.82	147.88	70.30			82.27
Net from operations	7.23	14.01	14.31			5.95
Miscellaneous income	1.06	6.22	1.25			.59
Total net before taxes	8.28	20.23	15.56			6.54

DUAL RATE INFORMATION

Material/Labor ratio	1.52/1.00	1.16/1.00	1.50/1.00			1.40/1.00
Overhead to apply to labor	57.10%	101.30%	45.20%			54.10%
Overhead to apply to material	20.00%	40.00%	16.00%			20.00%

		Sales Volume				
ALL	UP TO	\$500,001 TO	\$1,000,001 TO	\$1,500,001 TO	\$2,000,001 TO	OVER
REPORTING	\$500,000	<u>\$1,000,000</u>	<u>\$1,500,000</u>	<u>\$2,000,000</u>	<u>\$4,000,000</u>	<u>\$4,000,000</u>

BALANCE SHEET

Current assets							\$ 126,037
Cash	\$ 82,655	I	\$ 84,320	\$ 13,370	I	I	
Accounts receivable	397,310	N	98,893	182,851	N	N	689,313
Material inventory	124,883	S	60,080	10,733	S	S	288,575
Work in process	112,444	U	20,916	44,280	U	U	131,378
Other	19,632	F D	4,444	16,070	F D	F D	37,152
Total current assets	736,924	F A	268,653	267,304	F A	F A	1,272,455
Fixed assets	126,296	I T	108,666	40,081	I T	I T	230,054
Other assets	21,760	C A	5,731	13,386	C A	C A	43,943
Total assets	884,980	I	383,050	320,771	I	I	1,546,452
		E			E	E	
Current liabilities	397,181	N	71,575	119,305	N	N	633,722
Long term liabilities	135,209	T	63,299	18,037	T	T	317,674
Other liabilities	13,237		35,797	-			12,864
Total liabilities	545,627		170,671	137,342			964,260
Total net worth	339,353		212,378	183,428			582,192

RATIOS

Current ratio (times)	1.86	3.75	2.24	2.01
Acid test (times)	1.21	2.56	1.64	1.29
Working capital (dollars)	\$339,743	\$197,078	\$147,999	\$ 638,733
Liability to net worth (times)	1.61	.80	.75	1.66
Current to total assets (times)	.83	.70	.83	.82
Net profit to net worth (%)	17.19%	13.85%	30.94%	16.53%
Average age of accounts (days)	56.76	61.82	51.71	49.69
Working capital turnover (times)	7.52	2.96	8.72	7.93
Net profit to working cap. (%)	17.17%	14.92%	38.34%	15.06%
Overhead to materials (%)	58.59%	127.42%	46.92%	58.97%
Overhead to labor (%)	88.82%	147.88%	70.30%	82.27%
Profit leaders-net profit (%)	7.99%	6.72%	9.20%	-

SALARIES PAID

Average salary of highest paid executive	\$ 49,739	\$ 49,400	\$ 41,101	\$ 43,840
Average salary of second highest paid executive	\$ 38,264	\$ 25,000	\$ 40,601	\$ 36,210
Highest paid executive	\$ 90,000	\$ 60,000	\$ 69,174	\$ 50,000